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September 13, 2016

By Electronic Filing

The Honorable Martin Glenn, U.S.B.J.
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, New York 10004

Re: ***Status of Administration of ResCap Borrower Claims Trust***
Case No. 12-12020 (MG)

Dear Judge Glenn:

This firm is litigation counsel to the ResCap Borrower Claims Trust (the “Borrower Trust”).

This letter summarizes the progress of the Borrower Trust’s ongoing claims reconciliation effort in advance of the status conference scheduled for September 14, 2016 at 10:00 a.m.

When the Plan went effective in December 2013, approximately 1,420 Borrower Claims were unresolved. As of the date of this letter, as a result of the Borrower Trust’s ongoing and sustained efforts, only approximately 25 Borrower Claims remain unresolved (the “Unresolved Claims”). The breakdown of the Unresolved Claims is as follows:

- Seven of the Unresolved Claims are the subject of the 94th Omnibus Objection that is uncontested. The 94th Omnibus Objection will be heard during the omnibus hearing on September 14, 2016 (the “September 14th Hearing”).
- Two of the Unresolved Claims are scheduled for evidentiary hearings in September, and a third is scheduled for a status conference that will be held during the September 14th hearing.

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- There are two pending individual objections that are scheduled for initial hearings in October and November of this year.
- Two additional Unresolved Claims are pending the completion of settlements.
- The remaining approximately eleven Unresolved Claims will be the subject of either an omnibus objection, individual objections or potentially, consensual resolution.

This dramatic improvement over the past approximately 32 months is the result of both a focused effort to disallow non-meritorious claims through objections brought before this Court, the defense of subsequent appeals, as well as an effort to amicably resolve claims. Moreover, the Borrower Claims Trustee has spearheaded three successful settlement campaigns that resulted in the consensual resolution of scores of pending claims.

In addition to the Unresolved Claims, the Borrower Trust is currently defending approximately ten appeals in both the Southern District of New York as well as the Court of Appeals for the Second Circuit, which were filed by certain Borrowers whose claims were expunged previously by the Court.

Finally, the Borrower Trust plans to file a motion to establish a disputed claims reserve as soon as possible in order to facilitate a meaningful distribution to holders of Allowed Borrower Trust Claims. The Borrower Trust anticipates that this motion will be filed in time to be returnable during the October 2016 omnibus hearing date.

Thank you.

Respectfully Submitted,

/s/ Norman S. Rosenbaum
Norman S. Rosenbaum